

Sanitized - Approved For Release : CIA-

WASHINGTON OBSERVER

NEWSLETTER

"They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety"

BENJAMIN FRANKLIN

NUMBER 35

COPYRIGHT

MARCH 15, 1967

LBJ'S CIA

Biggest untold CIA story is how LBJ utilized unvouchered CIA funds in his 1964 Presidential campaign. Two phoney "institutes" were set up to funnel CIA money to private detective agencies hired to spy on GOP standard bearer Barry Goldwater and the Republican campaign organizations and sabotage whenever possible. This covert operation included wire-tapping, bugging, bribery and the planting of stool pigeons in strategic spots in the Republican organizations.

In order to safeguard against Democratic espionage, the GOP hired several security officers to set up a protective system. Ironically, one of the most highly efficient GOP security officers was a CIA-financed LBJ spy; he wrote many confidential reports that went to the desk of the President via a "drop" located in a public relations office located in the National Press building in Washington.

LBJ was so gratified with the work of this master spy that after the campaign, he planned to appoint him to the chairmanship of a Federal commission. Unfortunately, the double agent got boastful and told one of his corporate clients that LBJ had offered him the chairmanship; word leaked back to LBJ, who was infuriated and refused to make the appointment.

However, the master spy, who served five years in the FBI, is now reaping a fortune in industrial espionage. For a while he was under intensive investigation by Senator Edward Long's Senate wire-tapping subcommittee. He was slated to be summoned before a committee hearing, but the White House intervened and the whole investigation was pigeon-holed.

The final irony of the tale is that now Barry says that he wants the CIA to finance Republican groups, like Young Americans for Freedom and the Young Republicans.

CUBAN HELL

Every morning in the women's Baracoa prison in Oriente Province 3,000 nude women are paraded before Castro's prison guards; they live in filth and grime. And they are raped at will by their sadistic jailers. One 18-year-old girl is the mother of two children and she doesn't know the identity of the father of either.

Castro has admitted having 50,000 prisoners locked in his dungeons and on prison farms. But according to U.S. intelligence information, there are 200,000

political prisoners incarcerated in prisons mined with dynamite. In the event of insurrection, the prisons will be blown up.

Castro has promised that if there is another Bay of Pigs type of invasion, he will destroy all the 200,000 helpless victims in his terrible dungeons.

While there has been no public announcement, Castro has sent word to President Johnson that he will consider entering into negotiations for the evacuation of all his political prisoners. He has not made known his stipulations. The State Department favors negotiations, but Johnson has made no decision as of now.

WO has learned from a usually reliable source that another Cuban "missile crisis" is approaching. The secret commitment made by the late President Kennedy to Khrushchev not to invade Cuba is still being honored by the State Department and the Administration, however.

COHEN'S COMMAND

U. S. Internal Revenue Commissioner Sheldon S. Cohen has established "bench-marks" for his field revenue collectors and enforcement agents. The "benchmarks" means the minimum quota in tax collections that will be acceptable to the Commissioners. If their tax collections drop below their established quotas, they will be marked down in efficiency ratings and if they fail to meet their quotas for three years they will be dismissed from the service.

Some of the field supervisors are bitterly complaining that their collection quotas are marked too high. But to no avail. Commissioner Cohen is adamant. He needs every dollar and penny he can squeeze from the taxpayers to defray the cost of the Great Society spending program to help reelect LBJ next year.

This means that all tax returns will not only be computerized, but the 60,000 Internal Revenue employees will diligently scrutinize returns to find extra assessments and deny borderline exemptions and rigid application of fraud, delinquent and negligence penalties. Mr. Cohen is on leave of absence from Abe Fortas' law firm, where he worked in the tax division under the supervision of cigar-smoking "Miss" Carolyn Agger, wife of Justice Fortas, who jokingly says his wife is now making a living for him. She has a \$1 million a year tax law practice.

Sanitized - Approved For Release : CIA-RDP75-00149R000400220032-2